enhanced quality as per the global regulations & more importantly increased domestic production and exports to large number of destinations around the world in a cost competitive manner.

**Fixing subsidy levels of fertilizers**

1295. SHRI K. RAMA MOHANA RAO: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether government propose to have a clear cut policy to fix subsidy levels of fertilizers at the beginning of the year instead of micro-managing and based on input costs;

(b) whether any representation from the industry, in this regard, has been received in his Ministry;

(c) whether the Cabinet Committee on Economic Affairs has deliberated this issue in the recent past; and

(d) if so, the details thereof?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN) : (a) The payments of subsidy for urea, a controlled fertilizer, are made to urea manufacturing units under the provisions of the New Pricing Scheme (NPS) for urea units, introduced w.e.f. 1.4.2003 in place of the erstwhile Retention Price Scheme. As per NPS, the rates of concession payable to urea units are adjusted on quarterly/annual basis to provide for escalation/de-escalation in the variable cost related to changes in the price of feedstock, fuel, purchased power and water.

As regards the decontrolled phosphatic and potassic (P&K) fertilizers, the payments of subsidy/concession are made under the Concession Scheme on sale of P&K fertilizers. The subsidy/concession is worked out for these fertilizers as per the recommendations of the Tariff Commission. Under the Concession Scheme, base concession rates are announced at the beginning of the year to facilitate manufacturers/ importers to claim 'on-account' payment. The final concession rates are announced quarterly after updating the normated delivered price with reference to prices of raw materials and intermediate products and foreign exchange rate.

(b) No representation has been received from the fertilizer industry in this regard.

(c) and (d) No, Sir.

**Selling prices of essential commodities**

†1296. DR. MURLI MANOHAR JOSHI:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that drastic differences are being found in the consumer selling price of foodgrains during the period from 1st June to 15 July, in the years 2004 and 2005;

(b) if so, the facts in this regard; and

(c) the extent to which the differences in consumer selling prices of wheat, paddy, millet, maize, mustard oil and sugar, etc. prevail and the causes of rise in the prices of the said foodgrains in 2005 in comparison to 2004?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI TASLIMUDDIN): (a) and (b) On comparing the retail prices in respect of foodgrains, no drastic differences have been noticed at the major centres during the period 1st June to 15th July in 2004 and 2005, except for increase in prices of pulses.

(c) The differences in the average retail prices for the months of January to July, 2005 in comparison with the corresponding period in 2004 in respect of wheat, rice, gram dal, tur dal and mustard oil have been in the range of 3 paise to Rs. 3.06 per kg, whereas for sugar it has been to the extent of Rs. 5.13 per kg. The rise is mainly due to increase in their minimum support price (MSP), decline in sugarcane production, hike in cost of inputs and transportation etc.

†Original notice of the question was received in Hindi.